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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HISTORY, ARTS AND LIBRARIES
LANSING

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ACTING DIRECTOR

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To: Katherine K. Wallman, Chief Statistician
Office of Management and Budget

From: Kenneth Darga, State Demographer
Michigan Department of History, Arts, and Libraries

Re: Proposed Criteria for Delineating Metropolitan Areas

Thank you for the opportunity to comment on proposed criteria for delineating Core Based Statistical Areas (CBSAs). The new criteria include several improvements, but other important improvements remain to be made.

The discussion in the *Federal Register* notice¹ stresses the importance of homogeneity and comparability among areas that share a particular designation. That discussion suggests that these ends can be achieved by applying statistical standards without consideration of local opinion. A different theme underlies many of the comments that appear below: the way to achieve greater homogeneity and comparability is by improving the statistical standards. Local opinion can play a valuable role in correcting those instances where blind application of the statistical standards would seriously reduce homogeneity and comparability.

Comments on Section 2: Central Counties

Current Proposal. As was the case in 2000, it is proposed that counties be classified as “central” if they “have within their boundaries a population of at least 5,000 located in a single urban area of at least 10,000 population.” This provision ensures that micropolitan areas have a central county even if their urban cluster is split between two counties.

Shortcomings of Current Proposal. The proposed standard can reduce homogeneity and comparability when it is applied to metropolitan areas. In Michigan, for example, Cass county was classified as a central metropolitan county after the 2000 Census because 5,002 of its residents were part of the South Bend urbanized area. Containing a small amount of urban sprawl from South Bend does not make Cass county a typical “central metropolitan county”:

- It is predominantly rural.
- The urbanized portion of the county accounted for less than 10 percent of its population.
- Fewer than 15 percent of its residents commuted to St. Joseph county, Indiana.

¹ *Federal Register*, February 12, 2009, pp.7172-7177.

- In the absence of the statistical criterion in question, Cass county would not have qualified as part of the South Bend metropolitan area; in fact, it would not have been a metropolitan county at all.

Classifying Cass county as a central metropolitan county reduces the homogeneity of metropolitan counties and central metropolitan counties.

Suggested Remedy. The criterion in question should be applied only in cases where a CBSA would otherwise not have a central county.

Comments on Section 3: Outlying Counties

Current Proposal. As was the case in 2000, it is proposed that a county qualify as outlying if at least 25 percent of its employed residents work in the central county or counties of the CBSA, or if at least 25 percent of the county's employment is accounted for by residents of the central county or counties.

Shortcomings of Current Proposal. The current standards sacrifice homogeneity and comparability in order to achieve a superficial appearance of simplicity. In contrast, the prior standards² for identifying outlying counties provided six alternative sets of conditions under which a county could be classified as "outlying." In addition to commuting rates, these conditions reflected population density, rate of population growth, percent of population in urban communities, and number of county residents living in the core urbanized area. Counties with moderate levels of commuting could be classified as "outlying metropolitan counties" only if other criteria were met, and those criteria became progressively more stringent as the level of commuting decreased. The resulting designations were quite simple for data users—either a county was classified as an outlying metropolitan county or it was not—but they were fairly complex for the computer programmers and technical writers who implemented and explained them. The standards that were implemented for 2000 did simplify the tasks of the computer programmers and technical writers, but they did so at the expense of homogeneity, comparability, and suitability for statistical purposes.³

Shortcomings of the current approach are illustrated by two cases that have occurred in Michigan:

- (1) Midland county was an outlying county of the Saginaw-Bay City metropolitan area after the 1990 Census. The nearby cities of Saginaw, Bay City, and Midland are widely referred to as "the tri-cities"; together with their surrounding communities, they comprise "the tri-city area." Midland county barely failed to qualify as a stand-alone metropolitan county after the 2000 Census, since its urban core had only 49,387 residents instead of the required 50,000. It also failed to meet the commuting standard to be classified as an outlying county. However, by

² *Federal Register*, March 30, 1990, pp. 12154-12160.

³ In addition, the new standards reduced the suitability of the designations for non-statistical uses. The *Federal Register* notice stresses the fact that "OMB establishes and maintains these areas solely for statistical purposes. OMB does not take into account or attempt to anticipate any public or private sector nonstatistical uses that may be made of the delineations." That is regrettable, since it is only such "non-statistical" uses that provide a purpose or justification for compiling statistics.

virtue of its population density, level of urbanization, and moderate level of commuting to Bay county and Saginaw county, it would have easily qualified as an outlying metropolitan county under the prior standards. It is currently designated as a micropolitan county, which decreases the homogeneity and comparability of micropolitan counties. Moreover, its important linkages to Saginaw and Bay City are no longer reflected in the CBSA designations.

(2) The Grand Rapids metropolitan area came very close to being a single-county MSA after 2000, but it also came very close to being a nine-county MSA. Under previous standards, the number of counties in this metropolitan area would not have been as sensitive to tiny shifts in a single variable. The metropolitan area would also have included a different set of counties that better reflected the economic relationships and shared identities within this region.

- Three counties qualified as outlying counties of the Grand Rapids metropolitan area because they barely met the 25 percent commuting standard: Newaygo (26.7 percent), Ionia (26.6 percent), and Barry (25.8 percent).
- Ottawa county has close economic ties to Grand Rapids and Muskegon, and its census population for 2000 actually included 59,000 residents of the Grand Rapids urbanized area and 36,000 residents of the Muskegon urbanized area. Nevertheless, it was designated as a separate metropolitan area because its 82,000 residents in the Holland urbanized area exceeded its number in either of the other urbanized areas taken by itself. The estimated percentage of its workers who commuted to Kent county (24.7 percent) did not quite meet the 25 percent threshold for merging with the Grand Rapids metropolitan area.
- Muskegon county did not meet the threshold for merging with either the Grand Rapids MSA or the Holland MSA, but it would have easily qualified for merger with a joint Grand Rapids-Holland MSA.
- Montcalm county did not qualify as part of the Grand Rapids metropolitan area because only an estimated 24.6 percent of its workers commuted to Kent county.
- Allegan county could have qualified as a central county of the Holland metropolitan area based on its 9,752 residents in the Holland urbanized area, but it was designated as a separate micropolitan area instead because it had a slightly larger number of residents—10,871—in the Plainwell-Otsego urban cluster. Its commuting levels were not sufficient for merger with any of its nearby metropolitan areas as currently delineated. However, with 19.6 percent of its workers commuting to Ottawa county and 16.4 percent commuting to Kent county, it would have easily qualified as part of a joint Grand Rapids-Holland metropolitan area if the standards had allowed those metropolitan areas to be merged.
- Oceana county almost qualified for inclusion in the Muskegon metropolitan area, since 24.0 percent of its workers commuted to Muskegon county. It would have easily qualified as an outlying county of a joint Grand Rapids-Muskegon or Holland-Muskegon metropolitan area.

Suggested Remedy. Although the standards that were used for designating outlying counties after the 1990 Census do leave room for improvement, they would be much better than the simplistic standard currently in use.

Comments on Section 6: Categories and Terminology

Current Proposal. As was the case in 2000, the principal distinction among Core Based Statistical Areas is between “Metropolitan Statistical Areas” and “Micropolitan Statistical Areas.” Combined Statistical Areas (CSAs) are treated as secondary and they are not even mentioned in Section 6.

Shortcomings of Current Proposal. The value of CBSAs lies in their ability to reflect economic interrelationships and common identities that have developed among various groups of counties. CSAs play an important role in achieving that end. The current approach to delineating metropolitan and micropolitan areas makes it possible for counties to be listed separately or as part of small groupings despite some of the important linkages that exist. CSAs are then relied upon to recognize those linkages. That approach can work well, provided that sufficient recognition is provided to the CSAs. However, important linkages that have developed among counties are obscured whenever producers or users of data fail to give proper emphasis to CSAs. CSAs should be treated as an integral part of the CBSA designations.

Unfortunately, CSAs are often left out of statistical tables that involve CBSAs. For example, it is misleading to ignore the existence of CSAs in a table that lists MSAs in order by size. Such a table tends to list smaller metropolitan areas ahead of those metropolitan areas that are large enough to be subdivided into separate CBSAs. Some of the more notable examples are listed below:

Name of CSA	Rank Among CSAs and Free-Standing CBSAs	Rank of Largest CBSA Among CBSAs
Washington-Baltimore-N. Virginia, DC-MD-VA-WV	4	9
Boston-Worcester-Manchester, MA-RI-NH	5	10
San Jose-San Francisco-Oakland, CA	6	13
Cleveland-Akron-Elyria, OH	18	26
Charlotte-Gastonia-Salisbury, NC-SC	24	34
Salt Lake City-Ogden-Clearfield, UT	33	49
Greensboro--Winston-Salem--High Point, NC	38	71
Grand Rapids-Muskegon-Holland, MI	40	66
Greenville-Spartanburg-Anderson, SC	45	82

Suggested Remedy. The term “Metropolitan Statistical Area” should be applied only to MSAs that are not part of CSAs. There should then be three primary categories of CBSA: Combined Statistical Areas, Metropolitan Statistical Areas, and Micropolitan Statistical Areas. The components of Combined Statistical Areas should be given a different name (e.g. PMSA) to reflect the fact that they are generally not comparable to MSAs that are not part of CSAs. In addition to having greater homogeneity and comparability than the categories currently in use, these categories would better reflect the interrelationships that exist among groups of counties.